

TEACHERS' RETIREMENT BOARD
BUDGETS AND AUDITS COMMITTEE

SUBJECT: Approval of Minutes of April 6, 2000 Meeting

ITEM NUMBER: 2

ATTACHMENT(S): 1

ACTION: X

DATE OF MEETING: July 13, 2000

INFORMATION: _____

PRESENTER(S): Chairperson

Please see the attached minutes of the April 6, 2000, Budgets and Audits Committee meeting.

PROPOSED
MINUTES OF THE
BUDGETS AND AUDITS COMMITTEE
OF THE
TEACHERS' RETIREMENT BOARD
THURSDAY, APRIL 6, 2000
THIRD FLOOR, ROBYN D. MILLER BOARD ROOM
7667 FOLSOM BOULEVARD
SACRAMENTO, CALIFORNIA

COMMITTEE MEMBERS PRESENT

George Fenimore, Chairperson
Yvonne Gallegos Bodle
Emma Zink
Walter Barnes, representing the State Controller, Kathleen Connell
Eileen Park, representing the State Treasurer, Philip Angelides
Annette Porini, representing the Director of Finance, B. Timothy Gage

OTHER BOARD MEMBERS PRESENT

Marty Mathiesen
Curt Robinson, representing the Superintendent of Public Instruction, Delaine Eastin

STAFF PRESENT

James D. Mosman, Chief Executive Officer
Christopher Waddell, Chief Counsel
Peggy Plett, DCEO, Administration
Michael Carter, DCEO, Client Benefits and Services
Laurence Martin, DCEO, Information and Financial Systems
Ed Derman, DCEO, External Affairs, and Program Development
Way Lee, Director, Office of Audits
Mary Miles, Administrative Assistant

OTHERS PRESENT

Beverly Carlson, CTA
Lois Shive, CTA
Susan Goff, CRTA
Loretta Toggenburger, UTLA-R
George Wichman, CTA
Edna White, CRTA
Elizabeth Mackenzie
Al Reyes, UTLA
Anne Stupey, CFT
Ernest Kettenring
George Martin, ART
Richard Smith, Department of Finance
George McGregor, VEBA

A quorum being present, Chairperson Fenimore called the meeting to order at 9:37 a.m.

II. **APPROVAL OF MINUTES OF FEBRUARY 3, 2000 MEETING**

MOTION duly made by Ms. Porini, seconded by Ms. Park, and carried to approve the Minutes of the February 3, 2000 meeting.

III. **ANNOUNCEMENTS**

There were no announcements.

IV. **1999/2000 BUDGET STATUS REPORT**

Ms. Plett reported that the mid-year assessment had been completed and there may be a modest savings dependent on START cash flow and Teale Data Center costs. Mr. Barnes requested details on the projected reserve.

V. **2000/2001 PROPOSED BUDGET STATUS REPORT**

Ms. Plett presented this item.

VI. **DEPARTMENT OF FINANCE FINAL REPORT - QUALITY ASSURANCE REVIEW** (Item 9)

(This Item was taken out of order.)

Mr. Smith, from the Department of Finance's Office of State Audits and Evaluations, presented the results of their Quality Assurance Review of the System's Office of Audits. Mr. Lee stated that he would bring back an update on the risk assessments and staff vacancies.

VII. **AUDIT - QUARTERLY STATUS REPORT**

Mr. Lee provided an update on the school districts audits, internal and external audits, and compliance case reviews.

VIII. **INTERNAL AUDIT FINAL REPORT - SECURITIES LENDING PROGRAM**

Mr. Lee reported that the results of the corrective actions taken will be brought back to the Committee in July.

IX. **INACTIVE MEMBER ACCOUNTS AUDIT**

Mr. Lee provided a summary of the audit of inactive member accounts.

X. **DRAFT AGENDA FOR THE JULY BUDGETS AND AUDITS COMMITTEE MEETING**

No revisions were requested.

XI. **OPPORTUNITY FOR STATEMENTS FROM THE PUBLIC**

There were none.

XII. **ADJOURNMENT**

Chairperson Fenimore adjourned the Committee meeting at 10:09 a.m.

James D. Mosman, Chief Executive Officer
and Secretary to the Teachers' Retirement Board

George Fenimore, Chairperson